



Written Testimony before the Aging Committee

March 9, 2010

In opposition to H.B. No. 5277 (RAISED) AN ACT CONCERNING FUNDING FOR ADULT DAY CARE CENTERS.

This legislation would provide Adult Day Care Centers a 10% rate increase. DSS opposes this legislation since it would have a significant fiscal impact on the already stressed state budget. In addition, the biennial budget appropriated an additional \$700,000 to increase the rate for Adult Day Care that constituted a 4.2% increase. This is the only service provider in the waiver programs that has obtained a rate increase since the last increase in 2007. Giving another increase to the Day Care providers would certainly be inequitable to the remainder of the waiver service providers who are facing the same fiscal challenges.

Additional Remarks

S.B. No. 232 (RAISED) AN ACT CONCERNING THE USE OF A CERTIFICATE, PROFESSIONAL DESIGNATION OR ADVERTISING IN ADVISING SENIOR CITIZENS.

The object of this bill is to protect seniors from deceptive practices of financial advisers by ensuring that any certificate, title or designation is not used in an untrue, deceptive, misleading or false manner. It expands upon current statutory language that prohibits the general operation of any business in a fraudulent or deceitful manner by ensuring that persons have appropriate education and legitimate certification when purporting to be specialists in senior matters.

The U.S. Securities and Exchange Commission indicates that some financial professionals use designations that imply that they are experts at helping seniors with financial issues. Many seniors, however, don't understand the sets of initials that may follow the names of these financial professionals or the meaning of the titles - such as "senior specialist" or "retirement advisor" - they use to market themselves. The education, experience, and other requirements for receiving or maintaining a "senior" designation vary greatly. In some cases, a financial professional may need to study and pass several rigorous exams - after working in a designated field for several years - to receive a particular designation. In other cases, it may be relatively easy in terms of time and effort to receive a "senior" designation, even for an individual with no relevant

experience. Even after doing some research, it may not be clear whether a professional designation represents legitimate expertise, a marketing tool, or something in between.

According to the North American Securities Administration President Patricia Struck individuals may call themselves 'senior specialists' to create a false level of comfort among seniors by implying a certain level of training on issues important to the elderly. But the training they receive is often nothing more than marketing and selling techniques targeting the elderly. The alphabet soup of letters after their names can be confusing, and in some cases, may even be deceptive to seniors. In the eastern half of the United States alone securities regulators have opened 26 cases in the past year involving "senior specialists"

It is not only relative to financial advising that the term "senior specialist" may be exploited – the health and insurance industries have their share. Merely warning consumers to carefully check the credentials of individuals holding themselves out as "senior specialists" has not been sufficient to prevent credentialing scams from escalating and our most vulnerable seniors to be victimized. This Bill could ensure that those persons doing business in Connecticut who claim to be senior specialists truly do have the requisite education and experience to be able to provide appropriate services. The department supports the intent of this bill.

S.B. No. 322 (RAISED) AN ACT CONCERNING LONG-TERM CARE POLICIES UNDER THE CONNECTICUT PARTNERSHIP FOR LONG-TERM CARE.

S.B. 322 proposes to change how long term care policy premiums are set. Currently, the CT Partnership for Long Term Care policy premiums are rated based on age of the individual purchasing the policy. S.B. 322 would institute a community rating system that would likely exponentially increase the cost of the monthly premiums for policy holders, especially the program's target population of consumers in their 40's and 50's, thereby making the policies unaffordable. If S.B. 322 becomes law it could potentially end the CT Partnership for Long Term Care program due to unaffordable monthly premiums and withdrawal from the market by insurance companies selling the policies.

The Department of Social Services serves as the consumer education arm of the CT Partnership for Long Term Care. While we are not directly involved in the changes to the rates, we are impacted by these changes as we educate consumers about them. The Department opposes S.B. 322 because of the expected negative impact it would have on existing and potential policy holders of the Connecticut Partnership for Long Term Care.

H.B. No. 5278 (RAISED) AN ACT CONCERNING SENIOR CENTERS AND THE FREEDOM OF INFORMATION ACT.

The general philosophy of both the federal and state FOIA is one of broad disclosure – government openness and maximum responsible disclosure. However, it is important for lawmakers to recognize the importance of providing for exemptions to the disclosure statute when it can cause foreseeable harm. State lawmakers have not previously

recognized the foreseeable harm that this bill raises in disclosing the names and addresses of seniors who participate in senior center activities or are members of such municipal centers.

Seniors are now recognized as a vulnerable segment of the population, becoming increasingly more susceptible to fraud, scams, and exploitation. It is not surprising that seniors would not want their names and addresses disclosed to the public at large, especially as a result of participation in activities that are designed to strengthen social networking to decrease elder vulnerability. Senior centers increase older adults' exposure to useful consumer information as well as prevent them from listening to con artists due to their loneliness at home - alone. They are increasingly being warned not to disclose personal information to prevent identity theft, that it is "shrewd to be rude" and hang up when unwanted telemarketers call them, and that if something sounds too good to be true, it probably is. Granted, it does not take much creativity to find readily available addresses via internet sites which, these days, also include municipal tax records. What is not so readily available is the identification of the person living at a given address as a senior. One of the few ways this can be accomplished is through a FOIA request to any state municipality for these senior center records. Once armed with this targeting information, enterprising entrepreneurs can bombard vulnerable elders with unwanted advertisements, sales promotions, and door-to-door sales opportunities. This Bill takes a step in the right direction to combat senior exploitation by recognizing the foreseeable harm of disclosure and the department supports this proposal.